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NATIONAL LABOR RELATIONS BOARD  
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NLRB DISTRIBUTES $2 MILLION IN BACKPAY TO 61 FORMER AVONDALE WORKERS UNDER SETTLEMENT  

National Labor Relations Board General Counsel Arthur F. Rosenfeld announced today final settlement of longstanding unfair labor practice cases involving the former Avondale Industries, resulting in disbursement of over $2 million in backpay to 61 employees.

The settlement is the result of nine years of litigation, including three lengthy trials, starting in 1993, when the first unfair labor practice charges were filed. The Avondale I trial began in July 1994, and continued until July 1996. It took 165 days, produced a transcript of over 41,000 pages with thousands of exhibits, and resulted in a 658-page decision by Administrative Law Judge David L. Evans in February 1998. The Board issued its decision (329 NLRB 1064) in November 1999, substantially affirming the judge's recommendation. In Avondale II, the case was tried from January 1997 to October 1998 and continued for over 100 trial days, with a transcript of almost 20,000 pages and some 18,000 exhibits. The judge's decision issued in July 2001. In Avondale III, the judge's decision issued in November 2000, and the Board's decision and Order (333 NLRB No. 74) issued in May 2001. The Avondale cases were pending review in the U.S. Court of Appeals for the Fifth Circuit at the time the parties reached an agreement.

Under terms of a final settlement agreement approved by the Board on December 19, 2001 (337 NLRB No. 15), Northrop Grumman, the current owner of the shipyard, paid $2,150,274 to the Board. Following the Board's order, the New Orleans Regional Office (Region 15) worked quickly to obtain compliance with the order, including, determining the backpay and interest owed to the employees. The checks will be distributed today to the 61 affected employees in the Board's New Orleans office. The agreement also provided that 52 employees receive offers of reinstatement to their former jobs, without loss of their seniority and other rights and benefits.

The NLRB investigates and remedies unfair labor practices by employers and unions. It also conducts secret ballot elections to determine whether employees want union representation.

The recently settled cases arose in 1993 during an organizing campaign by the New Orleans Metal Trades Council, AFL-CIO. In August 1999, while unfair labor practice litigation was pending, Avondale was purchased by Litton Industries. Litton recognized the union based on a check of authorization cards, and on December
19, 2000, the parties entered into a collective bargaining agreement. In April 2001, Northrop Grumman acquired the shipyard from Litton.

In announcing the settlement, General Counsel Rosenfeld stated:

We are very pleased with the successful resolution of this longstanding dispute, and that the employees have received compensation for their financial losses. I commend the parties for finally resolving their differences and bringing this matter to closure. The considerable efforts and hard work expended by the Agency staff on this case reinforces our message that violations of the Act will not be tolerated. I wish to acknowledge and thank the numerous employees of the NLRB who worked on this case through the years, and in particular the entire staff of the New Orleans Regional Office who contributed to this successful resolution.

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